



County of Los Angeles CHIEF EXECUTIVE OFFICE

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(213) 974-1101
<http://ceo.lacounty.gov>

WILLIAM T FUJIOKA
Chief Executive Officer

February 23, 2010

To: Supervisor Gloria Molina, Chair
Supervisor Mark Ridley-Thomas
Supervisor Zev Yaroslavsky
Supervisor Don Knabe
Supervisor Michael D. Antonovich

From: William T Fujioka
Chief Executive Officer

Board of Supervisors
GLORIA MOLINA
First District
MARK RIDLEY-THOMAS
Second District
ZEV YAROSLAVSKY
Third District
DON KNABE
Fourth District
MICHAEL D. ANTONOVICH
Fifth District

STATUS REPORT ON LOS ANGELES CITY BUSINESS TAX REGISTRATION CERTIFICATE

This status report is in response to the motion by Supervisors Antonovich and Molina on September 29, 2009, in which your Board directed the Chief Executive Office (CEO) to convene a joint City/County Workgroup to: examine and document the process by which the City's Business License staff identifies the government agency with controlling jurisdiction for licensing and taxing businesses, establish a formal mechanism for referring business owners to the appropriate jurisdiction, and quantify the number of County businesses impacted by extra licensure.

The departments that comprise the joint City/County Workgroup, CEO, Auditor-Controller, Treasurer and Tax Collector (TTC), Internal Services Department (ISD), and the City's Office of Finance, have established a cooperative working relationship to resolve the core issues related to the erroneous issuance of Business Tax Registration Certificates (BTRC) to unincorporated area businesses. On November 6, 2009 and on December 22, 2009, we provided your Board with interim status reports regarding the progress of our collaborative actions.

The CEO and TTC redesigned and revised an informational brochure entitled, "Applying for a Los Angeles County Business License" (Attachment A) to emphasize the need to verify jurisdiction and differentiate County Business Licenses from other city licenses. Hard copies of this informational brochure are available at TTC's public counter and the Office of Finance's public counter. Also, additional copies were provided for all Supervisorial Districts to distribute at their respective field offices. In addition, both TTC and the Office of Finance have updated their websites' "Frequently Asked Questions" to include the information in the revised brochure. We have also requested that the County's Office of Small Business distribute these brochures to business owners who attend the quarterly "Local Small Business Forums."

"To Enrich Lives Through Effective And Caring Service"

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Intra-County Correspondence Sent Electronically Only**

Both jurisdictions understand that numerous County unincorporated area boundaries and zip codes overlap with those of unincorporated areas of the City. To prevent erroneous licensure, both jurisdictions share an obligation to: educate business owners about the definition of jurisdiction, provide them with the resources to accurately verify jurisdiction, and assist them in acquiring the appropriate license(s) for their business(es).

By cross-checking the coordinates of business addresses provided by the Office of Finance and utilizing GIS-based software programs, the County's Urban Research (UR) Unit has found that there are 7,027 business addresses (out of 132,067) that may be impacted by erroneous licensure. The business addresses fall into one of three categories:

- 377 addresses that the City considers inside their boundaries; UR's software determined these are within the unincorporated areas.
- 5,330 addresses that the City considers outside their boundaries; UR's software determined these are within the unincorporated areas.
- 1,320 addresses that the City considers outside their boundaries; UR's software determined these are within the City's boundaries.

A percentage of the businesses described above may have a City BTRC for legitimate reasons. Staff from TTC is currently reviewing these businesses to verify the location of the business as either City or unincorporated area, and to determine if the unincorporated area businesses require a City license, a County license, or both.

TTC staff is making commendable progress on their review of 7,027 businesses and our Office will share their findings with your Board once the review is complete. Going forward, our Office will provide ongoing status updates to your Board regarding County impacted businesses and our public outreach efforts.

WTF:ES
GS:LG:cg

Attachment

c: Auditor-Controller
Internal Services Department
Treasurer and Tax Collector

LIST OF BUSINESS ACTIVITIES THAT REQUIRE A
LOS ANGELES COUNTY BUSINESS LICENSE

Acupressure Establishment	Laundrette
Acupressurist	Live Poultry Dealer
Ambulance Operator	Livery Stable
Ambulance Vehicle	Locksmith
Ambulette Attendant	Lumberyard
Ambulette Driver	Manager
Ambulette Operator	Massage Parlor
Ambulette Vehicle	Massage Technician
Apartment House	Mechanical Rides
Auto Body and Fender	Medical Marijuana Dispensary
Auto Paint Shop	Model Studio
Auto Repair	Motor Vehicle Rental
Billiard Room	Motorcycle Contest
Bingo Manager	Off-Road Vehicles
Bingo Operator	Oil Tool Exchange
Bingo Supplier	Outdoor Festival
Boarding House	Pawnbroker
Body Art/Piercing/Tattoo	Peddler, Commercial Motor Vehicle
Bookstore	Peddler, Special Events
Bottle Works	Picnic Park
Bottlewashing	Picture Arcade
Bowling Alley	Plant Nursery
Card and Game Club	Pony Ride
Carnival	Private School
Carnival Game Booth	Public Eating
Circus or Traveling Show	Rebound Tumbling
Close Out Sale	Rendering Plant
Coin-Operated Game	Rifle Range
Coin-Operated Phonograph	Rodeo
Cold Storage Warehouse	Salvage Collector
Dance	Salvage Dealer
Demonstrator	Sawmill
Entertainment	Secondhand Dealer
Escort Bureau	Sex-Oriented Business
Exhibition	Shooting Gallery
Explosives	Skating Rink
Fertilizer Plant	Solicitor
Filling Station	Sound/Advertising Truck
Food Establishment	Swimming Pool, Public
Foundry	Taxi Dance Hall
Funeral Escort Driver	Taxi Dance Instructor
Funeral Escort Service	Taxicab Driver or Operator
Game Arcade	Taxicab Vehicle
Gas and Oil Tanker	Theater
Gun Dealer	Tow Truck
Hay, Grain, Feed Dealer	Trade-In Dealer
Health Spa	Vacation Certificate
Hog Ranch	Valet Parking Service
Horsemeat, Uncooked	Water Taxi Operator
Hotel/Motel	Weed Eradicator
Identification Card	

NOTES



APPLYING FOR A
LOS ANGELES COUNTY
BUSINESS LICENSE



Treasurer and Tax Collector

MAIN OFFICE

Downtown Los Angeles
225 N. Hill Street, Room 109
Los Angeles, CA 90012

Telephone: (213) 974-2011
Days: Mon. through Fri.
Hours 8:00 a.m.-5:00 p.m.

VALENCIA OFFICE

23757 Valencia Boulevard
Valencia, CA 91355

Telephone: (661) 253-7342
Days: Mon. & Wed. only
Hours: 8:00 a.m.-4:30 p.m.

LANCASTER OFFICE

335A East Avenue K-6
Lancaster, CA 93535

Telephone: (661) 723-7342
Days: Tues., Thurs., & Fri.
Hours: 8:00 a.m.-4:30 p.m.

http://ttc.lacounty.gov/Proptax/Business_License.htm

WHAT YOU NEED TO KNOW BEFORE YOU APPLY FOR A COUNTY BUSINESS LICENSE

- ◆ Not all business activities require a Business License. Business activities that require a County Business License are listed on the inside flap of this brochure.
- ◆ If your business activity is listed, you must obtain a license before you can operate. Failure to obtain a Business License is a misdemeanor.
- ◆ Verify the jurisdiction where your business is located. A County Business License is required if your business is located in an unincorporated area of Los Angeles County or in one of the following cities: Agoura Hills, Calabasas, Malibu, Santa Clarita or Westlake Village..
- ◆ If you are unsure if your business is located in an area licensed by the County, you may wish to contact the Department of Regional Planning, Land Development Coordinating Center (LDCC) at: (213) 974-6311.

-OR-

Visit them at: 320 West Temple Street
Room 1360
Los Angeles, CA 90012

Please note, the business hours of the LDCC are:
Monday, Tuesday and Thursday from 7:30 a.m.-5:30 p.m.
and Wednesday from 8:30 a.m.-5:30 p.m.
Their office is closed every Friday.

- ◆ Applications may be filed in person at any of the three Business License Offices of the Treasurer and Tax Collector. For your convenience, the locations and hours of operation of each Business License Office are listed in the front of this brochure.

Please note, the Valencia Office is closed on Tuesday, Thursday and Friday and the Lancaster Office is closed on Monday and Wednesday

- ◆ There is a non-refundable fee that is due at the time you file your application.
- ◆ Depending on the nature of the business activity to be conducted, you may be required to submit photographs, fingerprints, documents, proof of insurance and/or special forms in addition to a Business License application.

FREQUENTLY ASKED QUESTIONS (FAQs)

What do you mean by jurisdiction?

- ◆ Jurisdiction means the limits or territory within which the local government's authority may be exercised.

Why is it important to be aware of my jurisdiction?

- ◆ It is important to be aware of your jurisdiction so that you do not end up unintentionally paying for unnecessary licenses or taxes. The fee for a County Business License is neither a tax on your business nor based on your gross receipts. The fee covers the County's cost to process your application and for periodic inspections to ensure that the public's health and welfare is not adversely impacted, whereas a license or tax issued by a city is often imposed to generate revenue.

What do you mean by unincorporated area?

- ◆ There are 88 incorporated cities within Los Angeles County, each with its own city council. More than 65 percent of Los Angeles County is unincorporated. For the 1 million people living in these areas, the Board of Supervisors and County Departments provide the municipal services. The list of incorporated cities can be found on the LA County homepage at: <http://portal.lacounty.gov/wps/portal/lac/residents/cities>. The areas that are not part of these cities are considered to be unincorporated County territory. Since there are more than 60 zip codes in LA County that cross county/city boundaries, zip codes cannot always accurately indicate if you are located in an unincorporated area.

If I already have a County Business License, do I also need a City License?

- ◆ Depending on several factors: your business activities, the place you conduct your business, etc., you may need to obtain one or the other or both. The two documents are not the same.

ATTACHMENT A FREQUENTLY ASKED QUESTIONS (FAQs)

...Continued from the previous page

Generally, if a business is subject to County health or safety requirements, a Los Angeles County Business License is required.

How long does it take to obtain a County Business License?

- ◆ This depends upon the type of business license required. Some licenses are granted immediately while others may require the approval of County agencies such as: the Fire Department, the Sheriff's Department, the Department of Health Services and the Department of Regional Planning. In addition, some licenses require final approval by the Business License Commission.

After I obtain a license, when does it expire?

- ◆ Licenses expire after one year. Prior to the expiration date, you will receive a bill for renewal. If you pay the renewal fee within 60 days, you will receive a new license. However, some business licenses require an annual renewal hearing before the Business License Commission.

Will the renewal fee be the same amount as the initial application fee?

- ◆ In the majority of cases, the renewal fee is less than the original application fee. The renewal fee must be paid within 60 days. If it is not paid within 60 days, you must apply for a new license and pay the fee for a new application.

What if I have additional questions about Business License application requirements?

- ◆ For more information concerning the application requirements, please contact any Business License Office by phone or in-person during its regular business hours.